AFFIDAVIT OF ANNUAL LABOR FOR MINING

Failure to timely complete and record an affidavit will result in abandonment under AS 38.05.265.

Failure to include all required essential facts will result in abandonment. The essential facts are:

- 1. The name or number of all mining claims, leasehold locations, or mining leases being reported.
- 2. Every meridian, township, range, and section (MTRS) where they are situated and the recording districts.
- **3.** The name and current mailing address of <u>every</u> owner.
- 4. The dates of labor performance until 9/1, a description of the labor, and the value of the labor performed.
- **5.** The amount of cash paid made instead of annual labor (must be paid by 9/1)
- **6.** The value of excess work to be applied from the previous 4 years.

Attach and Record additional pages as needed for all essential fact information to avoid abandonment.

A. Mining Affidavit Year	B. Recording Information (Index "MI" Mining)
1. Mining Year Ending 12:00 PM September 1, 20	1. Recording District:
C. Owner Name & Address (Return Documents)	D. Co-Owner(s) Name(s) & Address(es)
1. Owner Name:	1. Co-Owner Name:
2. Current Address:	2. Current Address:
3. City, State, Zip:	3. City, State, Zip:
4. Is this your current address? Yes No	4. Is this their current address? Yes No
E. Location/Lease ADL No(s) (Index ADL "Grantee") ADL No.(s) Name 1. 2.	F. Location/Lease Legal Descriptions - MTRS Meridian Township Range Section(s) 1. 2.
3	3.
4.	4.
Do not include labor performed after the end of	this affidavits labor year to avoid abandonment.
(mining year is from 9/1/(previous year) to 9/1/(year listed in bl. H. Labor Description: I. Labor Value REQUIRED (AS 38.05.210) \$100 per partial & whole 40 Acre Location or Lease	J. Calculate Labor Values Available to APPLY 1. Value of the New Labor You
\$400 per 160 Acre MTRSC Location	Performed this Labor Year: \$ +
Size <u>Amt.</u> Value <u>Subtotal</u>	2. Cash in Lieu Amt Paid by 9/1: \$ +
Amt. of 40 Acre: X \$100 = \$ +	3. Past 4 Years Excess Value: \$ +
Amt. of 160 Acre: X \$400 = \$ +	4. Total All Available Values: \$
1.Total Value Required this Year: \$	5. Your Value to Apply Is: \$
(Print Affiant Name)	wear under penalty of perjury that the foregoing is true. NOTARY BLOCK The foregoing Affidavit of Annual Labor was subscribed and sworn before me on
(Sign Affiant Name) T	his Day of,20
	ature of Notary:
My com	mission expires:
102-4065 (09/19) State of Alaska Affidavit of Annual Labo	r for Mining Form (RECORDER INSTRUCTIONS)

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INSTRUCTIONS FOR USE/COMPLETION OF AFFIDAVIT OF ANNUAL LABOR FOR MINING FORM

This Affidavit for Annual Labor for Mining Form reflects the required information under AS 27.10.150 – 240, AS 38.05.210 – 242 and 11 AAC 86.220 and may be used to fulfill the State of Alaska's statutory and regulatory requirements for recording annual labor on state mining claims, leasehold locations, and leases. Please use the Affidavit of Annual Labor form and fill it out completely.

Failure to timely record and provide the essential facts required by regulation on an Affidavit of Annual Labor within 90 Days of the end of the Labor Year (November 30th) will result in automatic Abandonment of the claim(s) or leasehold location(s) by operation of state law (AS 38.05.265). The lease(s) may be placed in default. The Affidavit must be timely recorded within the Recording District where the location, leasehold location, or lease is situated.

GENERAL INFORMATION:

- 1. The terms "claim" and "location" on this form and instructions mean both mining claims and leasehold locations.
- 2. If there is not enough space on the affidavit of annual labor form for the required information for all your mining locations, you must include that information on additional page(s) and record it with your affidavit.
- 3. The Affidavit of Annual Labor may be filled out by the owner of a claim/leasehold location or by a person having knowledge of the facts.
- 4. Every claim/leasehold location owner and co-owner or leaseholder must be listed on the affidavit. You must attach additional pages for multiple co-owners. Failure to list all owners constitutes abandonment or default.
- 5. The labor year begins at noon on the September 1 after the date the notice of location was posted and ends at noon on the September 1 of the following year. For example:
 - If a claim/ leasehold location is located on June 30, 2017, the first labor year began 9/1/2017 and ended 9/1/2018.
- 6. Alaska statutes allow miners on state claims/leasehold locations and leases to carry forward the value of excess value of work for up to **four** subsequent years.
- 7. An affidavit of annual labor must be timely and properly recorded each year under state law AS 38.05.210, including years that excess labor is applied or cash in lieu is paid.
- 8. If you have guestions, contact the Public Information Center at 269-8400 in Anchorage, 451-2705 in Fairbanks.

ANNUAL LABOR AND REQUIREMENTS

Under **AS 38.210(a**), the cash amount required if cash were paid in lieu of performing labor is equal to the Required Value of Labor

HOW TO CALCULATE AMOUNT REQUIRED VALUE

Multiply the Quantity of the Location or Lease Type by the Value to determine the Required Labor Value.

1. Mining Claim(s)/Leasehold Location(s)						
Quantity of			<u>Value P</u>	<u>'er</u>	<u>Required</u>	
<u>Location</u>	Location Type and Size		Claim/Leas	<u>ehold</u>	<u>Labor Value</u>	
	MTRSC Qtr-Qtr (40 Acres)	Χ	\$100	=		
	*MTRSC Qtr (160 Acres)	Х	\$400	=		
	Traditional Claim (1 – 40 Acres)	Х	\$100	=		
Total Required Labor Value:						

2. Mining Lea	250(5)					
Quantity of Lease Type		Lease Acreage/40		Value 1-40 A		<u>Required</u> <u>Labor Value</u>
	Offshore		Χ	\$100	=	
	Upland		Χ	\$100	=	
Total Required Labor Value:						

3.	TOTAL AMOUNT REQUIRED VALUE OF LABOR	
	Add Totals from Box 1 and 2:	

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How to Fill Out the Affidavit of Annual Labor for Mining Form:

- **A. Affidavit Year** Indicate the year of affidavit that is being recorded in this section.
 - 1. Affidavit for Year Ending Noon September 1, of the labor year for which the affidavit is being recorded.
 - Write the labor year the affidavit is being recorded for.
 - This is the current year unless the affidavit is being recorded for a different year.
- **B. Recording Information:** The affidavit is required to be recorded in the Recording District in which the location(s) / lease(s) is situated under state law AS 38.05.210.
 - 1. Recording District: Identify the Recording District where the location(s) / lease(s) is situated.
 - If your location / lease is located across more than one recording district, an affidavit needs to be recorded in **each** recording that the mineral property is located in.
 - Remember to record additional pages for required information in each recording district.
- C. Owner Name and Address Information: The names and addresses of EVERY claim / leasehold location / lease owner must be listed on the affidavit. Attach & Record additional pages for Co-Owner Information.
 - 1. Owner Name: List the Owner Name(s).
 - **2. Current Address:** Write the current mailing address for each Owner.
 - 3. City, Street, Zip: Include the City, State and Zip Code for each Owner.
 - 4. Is this your current address?: If this is the current address, check "Yes". If not, check "No".
- D. Co-Owner Name and Address Information: The names and addresses of <u>EVERY</u> claim, leasehold location or lease <u>co-owner</u> must be listed on the affidavit or recorded as an additional page of the affidavit.
 - 1. Co-Owner Name: List the Owner Name(s).
 - **2. Current Address:** Write the current mailing address for the Co-Owner.
 - **3. City, Street, Zip:** Include the City, State and Zip Code for each Co-Owner.
 - 4. Is this your current address?: If this is the current address, check "Yes". If not, check "No".
- **E. Location or Lease Identification:** All claims, leasehold locations and leases must be identified on a recorded affidavit annually under state law AS 38.05.210. This form allows for up to four (4) claims, leasehold locations or leases. Attach and record additional pages for all other claims, leasehold locations and leases being included in the affidavit.
 - 1-4. List the first four (4) state ADL Numbers, Names or Lease Tract Numbers that the affidavit is for.
 - List the ADL Numbers listed sequentially (for example: 111222, 111223, 111234 etc.).
 - You may include the location names or lease tract numbers.
 - The Recorder's Office only indexes 6 items at no charge, such as an owner, ADL Number or Claim Name.
 - You will be charged a fee to index additional owner names and ADL Numbers.
- F. Location & Lease Legal Descriptions MTRS: List the Meridian, Township, Range and Section for every claim, leasehold location and lease on the affidavit as required under state regulation 11 AAC 86.220. This form allows for up to four (4) MTRS. Attach and record additional pages for all other legal descriptions (MTRS).
 - 1-4. List the first four (4) legal descriptions for the claims, leasehold locations or leases on the affidavit.
 - The MTRS may be listed individually or grouped if multiple locations are included within the same Meridian, Township and Range. (Ex. Fairbanks 1N, 1W, sec. 7-10)

G. Labor performance dates during mining:

- Write the dates or range of dates when labor was performed within the mining year in the form "(MM/DD/YYYY) to (MM/DD/YYYY)" **Note:** *The assessment year ends on 9/1.* If no labor was performed leave blank or N/A.
- **H. Labor Description:** Describe the labor performed and how it benefited all locations/leases listed on the affidavit. o If labor was not performed, write "Cash in Lieu" or "Excess Labor" or "N/A".
 - The Fact Sheet for Annual Labor provides examples of activities that qualify as annual labor. It is available at the Public Information Centers and online at:

http://dnr.alaska.gov/mlw/factsht/mine fs/annualla2017.pdf

- Provide details about the work to support the declared value on the affidavit; for example, "sunk shaft 10 feet,"
 "stripped 150 cubic yards of overburden with D-6 cat to prepare for mining,", "core drilling 150 feet," "sluiced
 5000 cubic yards of gravel".
- o Review Annual Labor requirements in AS 38.05.210 242 and 11 AAC 86.220 to verify that the description provided meets the statutory and regulatory requirements.
 - **Transportation** of workers or equipment to or from the location / lease **does not qualify** as annual labor per state regulation 11 AAC 86.220(b).
 - Do **not** include transportation costs in the Declared Value of Labor.

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- Claim and leasehold location staking, posting, corner marking and the maintenance of claim posts and corner markers are required under state law AS 38.05.195 and not considered as annual labor.
- Do **not** include costs associated with staking and maintenance in the Declared Value of Labor.
- Do not include labor performed <u>after</u> the end of this affidavit's labor year to avoid abandonment.
- Inclusion of labor after the labor year ends makes the affidavit "inaccurate" and the affidavit will be void under AS 38.05.265
- I. Calculate Labor Value REQUIRED (AS 38.05.210). This section is provided for you to calculate the value of annual labor you are required to perform or pay, as required under the Annual Labor statute (AS 38.05.210). The amount of annual labor required is: \$100 per partial & whole 40 Acre Location or Lease or \$400 per 160 Acre MTRSC Location.
 - **1.** Write down the amount of traditional 40-acre claims and Qtr Qtr section MTRSC claims you have. (For leases divide the total acreage by 40.) Multiple the amount by \$100.
 - 2. Write down the amount of 160-acre MTRSC claims that you have. Multiply the amount by \$100.
 - **3.** Add the subtotals for the two sizes of mineral properties together. This is the value required.

FOR EXAMPLE:

I. Labor Value REQUIRED (AS 38.05.210)						
\$100 per partial & whole 40 Acre Location or Lease						
\$400 per 160 Acre M	TRSC La	ocation				
Size	<u>Amt.</u>	Value	Subtotal			
1. Amt. of 40 Acre:	4	X \$100 = 5	\$ 400 +			
2. Amt. of 160 Acre:	2	X \$400 = 5	\$ 800 +			
3. Total Value Re	quired	this Year: S	1,200			

- J. Calculate Labor Values Available to APPLY: This section is provided for you to calculate your available labor and to determine which values to be applied toward the Required Value for all the locations/listed on the affidavit under state law AS 38.05.210.
 - 1. Value of the new labor you performed this labor year means the amount of labor you performed or the value of improvements you made to the mineral property during the reported labor year.
 - 2. Cash in Lieu Amount Paid by 9/1 means the amount of cash being paid in lieu of performing annual labor
 - Cash in lieu may not be paid after 9/1.
 - If you pay Cash in Lieu after 9/1 your claims or leasehold locations will be abandoned by operation of law AS 38.05.265.
 - "conflicting" locators (aka "junior" locators) may only pay cash in lieu unless provided an owner authorization from the senior locator.
 - 3. The **Past 4 Years Excess Value** means the amount of excess labor you have available for the previous four years of annual labor.
 - **4.** The **Total of All Available Values** is the sum of all of the values you have available to apply.
 - **5.** The **Value to Apply** must be equal or greater than the Total Required Value.

FOR EXAMPLE

J. Calculate Labor Values Available to APPLY			
1.	Value of the New Labor You Performed this Labor Year:\$	1,500 +	
2. C	ash in Lieu Amt Paid by 9/1:	0+	
3.	Past 4 Years Excess Value:	0 +	
4.	Total All Available Values: \$	1,500	
5.	The Value to Apply Is:	1,200	

Note: In this example, you would have \$300 excess labor available for the next labor year.

K. Oaths: An affidavit of annual labor must be signed by the affiant and notarized prior to recording pursuant to state regulation 11 AAC 86.220.

Consider e-Recording your affidavit!

For more information see the Alaska Department of Natural Resources Recorder's Office website:

http://dnr.alaska.gov/ssd/recoff/eRecording